

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 08454 251345Z

43

ACTION EB-11

INFO OCT-01 EA-11 ADP-00 CAB-09 CIAE-00 COME-00 DODE-00

INR-10 NSAE-00 RSC-01 FAA-00 L-03 SS-15 NSC-10 RSR-01

/072 W

----- 049877

R 251049Z JUL 73

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 6841

LIMITED OFFICIAL USE MANILA 8454

E.O. 11652: N/A

TAGS: ETRN, RP

SUBJECT: CIVAIR: TEXT OF PANAM "AIDE MEMOIRE" TO GOP

REF: MANILA 8307

FOLLOWING IS TEXT OF PANAM "AIDE MEMOIRE" DATED  
JULY 22 ADDRESSED TO EXEC SECY MELCHOR OUTLINING  
PANAM POSITION ON US-RP CIVAIR RELATIONS IN LIGHT  
OF JULY 19 DISCUSSION WITH MELCHOR AND PAL

EXECUTIVE VICE PRESIDENT (REFTEL). (SINCE WE NOT  
SURE MACKENZIE HAD HQ AUTHORITY GIVE US COPY, DEPT  
SHOULD NOT REVEAL TO PANAM HQ WE HAVE TEXT UNLESS LATTER  
INDICATES ITS AWARENESS OF THAT FACT.)

QUOTE AIDE MEMOIRE

JULY 22, 1973

DEAR SECRETARY MELCHOR:

THE FOLLOWING IS FOR YOUR USE IN DEVELOPING A VIABLE  
FIRST STEP THAT THE PRESIDENT CAN USE TO BREAK THE CURRENT  
IMPASSE. IT REPRESENTS PAN AM'S THINKING TOWARD AN  
ACHIEVABLE TOTAL PACKAGE BEYOND THE SCOPE OF THE FIRST  
MEETING.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 08454 251345Z

A DISTILLATION OF THE BASIC POSITIONS DEVELOPED

AT OUR MEETING WITH PAL LAST THURSDAY SHOULD PROVIDE A FIRM BASIS FOR A STEP BY STEP APPROACH TOWARD A FORMAL AIR AGREEMENT. IN THE INTERIM PERIOD ALL OF US WOULD HAVE AMPLE JUSTIFICATION TO EXPEND SUBSTANTIAL SUMS FOR THE PROMOTION OF TOURISM IN THE PHILIPPINES.

SO AS NOT TO BE MISUNDERSTOOD, I BELIEVE IT WOULD BE MUTUALLY BENEFICIAL IF I CLARIFIED THE BASIC PAN AM STATEMENT BY SEPARATING THE VARIOUS ELEMENTS.

1. IN EXCHANGE FOR FOUR (4) 747 FREQUENCIES NOW PAN AM SUPPORTS US GOVERNMENT AUTHORITY TO PERMIT PAL THE SAME FREQUENCY AT GUAM AS PAA AND ADD LOS ANGELES AS A TERMINAL POINT ON THE CENTRAL PACIFIC ROUTE.

2. BEYOND MANILA RIGHTS WERE NOT DISCUSSED AT THE MEETING TO AVOID CONFUSION. HOWEVER IN CONSIDERATION OF THE ADDITION OF LOS ANGELES AS A PAL TERMINAL POINT ON THE CENTRAL PACIFIC ROUTE, PAA WOULD REQUIRE THE REINSTATEMENT OF OUR MANILA/ SINGAPORE TRAFFIC RIGHTS DELETED FROM OUR PERMIT IN 1971.

3. SINCE NWA ALSO IS AN INTERESTED PARTY AT LOS ANGELES, NWA WOULD RECEIVE A PERMIT FOR TWO OR THREE DC-10 FREQUENCIES, IN ORDER TO AGREE TO THE GRANT OF LOS ANGELES TERMINAL RIGHTS TO PAL.

4. BOTH PAA AND NWA ARE INTERESTED PARTIES ON THE NORTH PACIFIC ROUTE. IN EXCHANGE FOR FOUR DC-10 FREQUENCIES AND A PLEDGE OF SUBSTANTIAL PROMOTIONAL SUPPORT NWA COULD BE EXPECTED TO AGREE TO AN INTERIM PERMIT FOR PAL TO OPERATE MANILA/ TOKYO/SAN FRANCISCO. PAN AMERICAN WOULD SUPPORT THIS INTERIM AGREEMENT IN A GENUINE EFFORT TO GET THE SERVICE STARTED NOW. YET WE MUST NOT LOSE SIGHT OF THE FACT THAT SUCH AN INTERIM AGREEMENT ENCOMPASSES MOST OF THE ELEMENTS OF A PERMANENT BILATERAL AIR TREATY IN WHICH PAN AM WOULD REQUIRE REINSTATEMENT OF OUR MANILA/HONG KONG TRAFFIC RIGHTS IN EXCHANGE FOR OUR AGREEMENT TO PERMIT PAL TO OPERATE PERMANENTLY VIA TOKYO TO SAN FRANCISCO OR LOS ANGELES.

THE SERVICES OF PAL, PAA, NWA AND FLYING TIGER LINE (FTL) WOULD FOR THE DURATION OF THE INTERIM AGREEMENT BE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 08454 251345Z

LIMITED AS FOLLOWS. PAL EXISTING SEAT CAPACITY. PAA EQUIVALENT OF FOUR WEEKLY 747'S. NWA EQUIVALENT OF THREE WEEKLY DC-10'S. FTL EXISTING TWO FREQUENCIES. THESE CAPACITY LIMITATIONS APPLY REGARDLESS OF WHERE THE FLIGHTS ORIGINATE OR TERMINATE. 3.G. ANY PAL TURNAROUND FREQUENCIES TO GUAM WOULD COUNT AGAINST ITS CAPACITY QUOTA.

THE ABOVE IS AN EDUCATED GUESS AS TO WHAT WE EXPECT

NWA AND THE U.S. GOVERNMENT WOULD AGREE TO FOR AN INTERIM PERIOD. SUCH AN AGREEMENT SHOULD BE FOR A MINIMUM OF TWO YEARS OR LESS IF A BILATERAL AIR AGREEMENT IS REACHED EARLIER.

D.M. MACKENZIE

PAN AMERICAN AIRWAYS

DIRECTOR-PHILIPPINES

UNQUOTE

HAMILTON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 JUL 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** worrelsw  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973MANILA08454  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730712/aaaaaikz.tel  
**Line Count:** 124  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 MANILA 8307  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** worrelsw  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 06 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <06-Aug-2001 by kelleyw0>; APPROVED <15-Aug-2001 by worrelsw>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CIVAIR: TEXT OF PANAM "AIDE MEMOIRE" TO GOP  
**TAGS:** ETRN, RP  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005